

Lassen County Economic Forecast

Lassen County is one of the northern most counties in California. The county borders Plumas County to the south, Shasta County to the west, Modoc County to the north, and the state of Nevada to the east. Lassen County has a population of 35,455 people and 10,060 wage and salary jobs. The per capita income in Lassen County is \$19,290, and the average salary per worker is \$37,720. In 2005 the median household income in Lassen County is estimated at \$50,750.

In 2004, wage and salary employment declined by 250 jobs in Lassen County, a decline of 2.4 percent. Non-farm employment lost 300 jobs, a 3.0 percent decline. The unemployment rate remained constant at 6.7 percent in 2004.

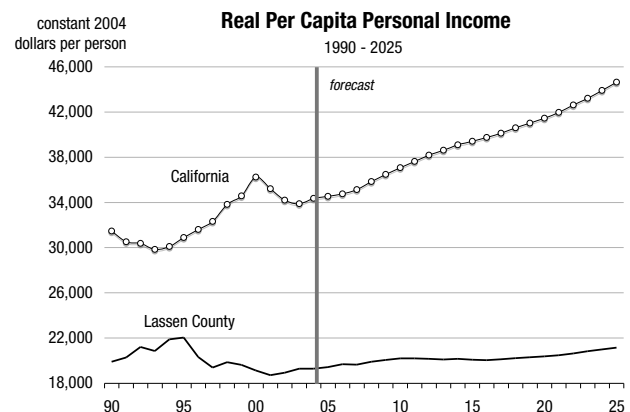
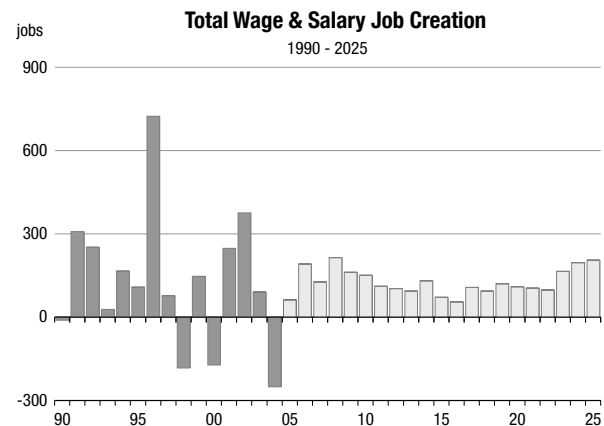
The only sector to produce significant employment gains in 2004 was the farm sector which created 50 jobs. Most non-farm sectors in the county lost jobs last year especially the manufacturing, wholesale trade, and leisure services sectors. Employment declined by 118 jobs in the manufacturing sector, which is a 57 percent decline in employment. This decline is the result of downsizing at two large manufacturing firms in the county, JELD-WEN and Sierra Pacific Industries. Both plants have now closed. The largest employment sectors in the county are public institutions. Over 55 percent of all jobs in the county are in the public sector. The penitentiaries in Susanville are the largest employers in the county. The state penitentiaries employ a total of 2,500 people, and house over 10,300 inmates.

The population grew in Lassen County at a rate of 3.2 percent in 2004. The only incorporated city in the county is Susanville, which grew 1.2 percent between January 2004 and January 2005. Net migration was positive last year with 1,040 net migrants entering the county.

Employment growth is expected to turn positive again this year and over the next several years. Population growth will also be positive, but is expected to decline from current levels over the next several years.

Forecast Highlights

- Non-farm job growth is forecast to turn positive in 2005, with non-farm employment increasing 0.7 percent. Job growth is expected to continue to rise over the next five years, averaging 1.7 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.5 percent per year over the next 5 years.
- Between 2005 and 2010, the momentum for employment growth is in leisure services, education and healthcare services, and government. These sectors account for over 77 percent of all jobs created in the county over the next five years.

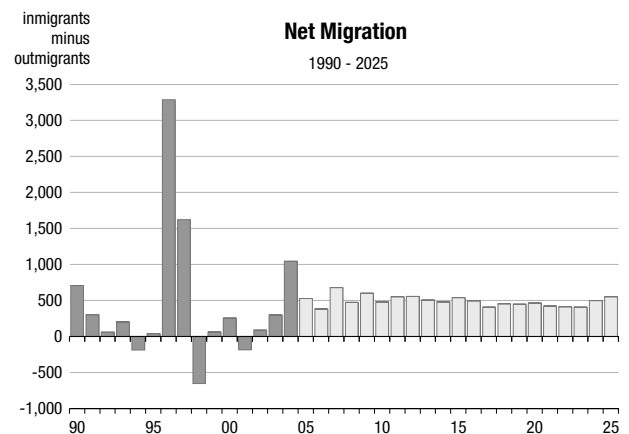
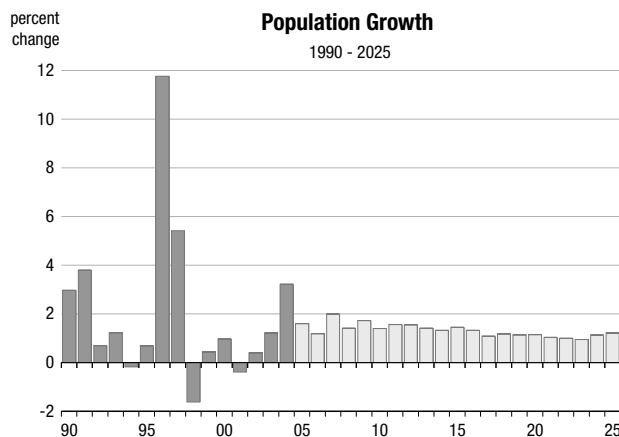


- The population in the county will continue to grow, and at a slightly higher rate than the state average. Annual growth in the 2005 to 2010 period averages 1.6 percent per year. Average growth in the state during this same period is 1.5 percent per year.
- Net migration is forecast at 530 people in 2005. Over the next five years migration is expected to average 520 net migrants per year.
- Real per capita income is forecast to increase 0.7 percent in 2005. Over the next five years real per capita incomes are expected to increase an average of 0.8 percent per year.
- Industrial production is forecast to increase 3.5 percent in 2005. Over the next five years the growth rate of industrial production will decline, but total production will still rise an average of 1.5 percent per year. Total crop production, adjusted for inflation, is expected to decline an average of 0.3 percent per year between 2005 and 2010.

Lassen County Economic Forecast

1995-2004 History, 2005-2025 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (millions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
1995	28,900	40	29.1	9.1	159	\$204.5	\$0.49	\$22,052	2.0	62.1	101.3	11.1
1996	32,300	3,288	30.2	9.3	121	\$200.4	\$0.51	\$20,324	2.3	60.8	112.0	10.9
1997	34,050	1,625	28.3	9.3	84	\$184.3	\$0.53	\$19,381	3.4	63.1	116.1	9.7
1998	33,500	-654	29.2	9.5	83	\$187.4	\$0.55	\$19,864	3.2	51.2	73.1	9.4
1999	33,650	61	29.9	9.6	116	\$208.5	\$0.57	\$19,616	4.2	54.2	92.4	7.0
2000	33,978	255	31.1	9.6	107	\$221.1	\$0.59	\$19,136	4.5	58.1	118.1	6.2
2001	33,847	-186	32.8	9.7	95	\$226.4	\$0.61	\$18,715	5.4	45.3	117.5	6.4
2002	33,986	89	33.7	9.8	125	\$247.8	\$0.62	\$18,938	1.6	47.1	123.2	6.8
2003	34,402	301	34.1	9.9	163	\$302.2	\$0.66	\$19,285	1.8	55.4	109.3	6.7
2004	35,510	1,043	36.4	10.0	212	\$308.1	\$0.68	\$19,285	1.2	58.1	98.4	6.7
2005	36,080	529	37.8	10.1	166	\$327.9	\$0.72	\$19,417	1.7	58.7	101.8	7.0
2006	36,510	383	39.3	10.2	169	\$353.3	\$0.75	\$19,685	2.7	58.6	104.9	7.3
2007	37,241	680	40.7	10.3	174	\$379.0	\$0.79	\$19,654	2.6	58.9	106.4	7.5
2008	37,767	473	42.2	10.4	170	\$404.8	\$0.83	\$19,899	2.6	58.7	107.8	7.6
2009	38,423	600	43.7	10.5	173	\$430.6	\$0.87	\$20,056	2.5	58.5	109.3	7.8
2010	38,963	482	45.3	10.7	169	\$457.5	\$0.91	\$20,205	2.7	57.9	109.8	7.9
2011	39,575	553	46.9	10.8	171	\$484.3	\$0.95	\$20,198	2.7	57.8	110.0	7.9
2012	40,192	556	48.5	10.9	172	\$511.4	\$1.00	\$20,168	2.8	57.7	110.0	7.9
2013	40,759	506	50.0	11.0	173	\$538.9	\$1.04	\$20,110	2.9	57.2	109.8	7.7
2014	41,299	479	51.6	11.1	174	\$567.1	\$1.08	\$20,163	2.9	56.8	109.1	7.6
2015	41,901	542	53.2	11.2	176	\$596.2	\$1.13	\$20,074	3.1	56.6	108.3	7.5
2016	42,456	497	54.8	11.3	175	\$624.9	\$1.17	\$20,048	3.0	56.2	107.7	7.5
2017	42,919	408	56.3	11.4	172	\$653.7	\$1.23	\$20,122	2.9	56.0	107.7	7.6
2018	43,427	457	57.9	11.5	173	\$682.7	\$1.28	\$20,221	2.7	55.8	108.1	7.6
2019	43,923	448	59.5	11.7	172	\$713.4	\$1.34	\$20,308	2.8	55.6	108.6	7.7
2020	44,432	464	61.1	11.8	172	\$745.1	\$1.39	\$20,387	2.7	55.4	110.3	7.6
2021	44,894	423	62.7	11.9	171	\$778.3	\$1.45	\$20,482	2.6	55.4	110.0	7.6
2022	45,342	414	64.3	12.0	171	\$814.2	\$1.52	\$20,641	2.6	55.1	109.2	7.6
2023	45,776	407	65.9	12.1	171	\$853.2	\$1.59	\$20,827	2.7	55.1	110.0	7.5
2024	46,298	501	67.5	12.2	173	\$894.6	\$1.66	\$20,998	2.7	54.9	111.5	7.5
2025	46,865	553	69.1	12.3	174	\$938.5	\$1.74	\$21,149	2.7	54.9	112.5	7.5



Lassen County Employment Forecast

1995-2004 History, 2005-2025 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1995	9.0	0.30	0.21	0.41	0.06	1.18	0.16	0.28	0.16	0.65	0.68	4.49
1996	9.7	0.27	0.22	0.36	0.06	1.19	0.18	0.29	0.17	0.72	0.64	5.18
1997	9.8	0.22	0.21	0.22	0.11	1.24	0.20	0.32	0.16	0.74	0.61	5.33
1998	9.6	0.23	0.23	0.23	0.07	1.22	0.17	0.28	0.15	0.77	0.62	5.27
1999	9.8	0.32	0.28	0.21	0.09	1.19	0.15	0.26	0.14	0.77	0.62	5.36
2000	9.6	0.24	0.20	0.21	0.10	1.24	0.16	0.26	0.13	0.76	0.61	5.35
2001	9.8	0.28	0.24	0.21	0.16	1.18	0.17	0.24	0.15	0.81	0.69	5.38
2002	10.2	0.31	0.35	0.21	0.18	1.12	0.15	0.19	0.14	0.89	0.78	5.55
2003	10.3	0.35	0.31	0.21	0.19	1.12	0.16	0.20	0.12	0.92	0.79	5.65
2004	10.1	0.40	0.30	0.09	0.19	1.07	0.15	0.20	0.11	0.90	0.75	5.63
2005	10.1	0.40	0.28	0.12	0.20	1.07	0.15	0.20	0.11	0.91	0.79	5.61
2006	10.3	0.40	0.28	0.13	0.22	1.08	0.17	0.22	0.11	0.94	0.81	5.69
2007	10.4	0.40	0.28	0.14	0.22	1.09	0.17	0.23	0.11	0.98	0.83	5.71
2008	10.7	0.40	0.28	0.15	0.23	1.10	0.17	0.24	0.11	1.02	0.87	5.80
2009	10.8	0.40	0.28	0.16	0.23	1.12	0.18	0.24	0.11	1.06	0.90	5.87
2010	11.0	0.40	0.28	0.16	0.23	1.14	0.17	0.25	0.12	1.09	0.93	5.95
2011	11.1	0.40	0.28	0.16	0.24	1.15	0.17	0.25	0.12	1.12	0.94	5.99
2012	11.2	0.40	0.29	0.17	0.24	1.16	0.17	0.25	0.12	1.16	0.96	6.02
2013	11.3	0.40	0.29	0.17	0.25	1.17	0.18	0.25	0.12	1.19	0.97	6.05
2014	11.4	0.40	0.29	0.17	0.26	1.17	0.18	0.25	0.12	1.23	0.99	6.11
2015	11.5	0.40	0.29	0.17	0.26	1.18	0.18	0.25	0.12	1.26	1.01	6.12
2016	11.5	0.40	0.29	0.17	0.27	1.18	0.18	0.25	0.12	1.29	1.02	6.12
2017	11.6	0.40	0.29	0.17	0.27	1.19	0.19	0.25	0.12	1.32	1.05	6.16
2018	11.7	0.41	0.29	0.17	0.27	1.19	0.19	0.25	0.12	1.36	1.07	6.19
2019	11.9	0.41	0.29	0.17	0.28	1.20	0.19	0.25	0.12	1.39	1.09	6.25
2020	12.0	0.41	0.29	0.17	0.28	1.21	0.19	0.25	0.12	1.42	1.10	6.30
2021	12.1	0.41	0.29	0.17	0.28	1.22	0.19	0.25	0.12	1.45	1.11	6.35
2022	12.2	0.41	0.29	0.17	0.28	1.23	0.19	0.25	0.12	1.49	1.12	6.38
2023	12.3	0.41	0.29	0.16	0.28	1.25	0.19	0.25	0.12	1.52	1.14	6.48
2024	12.5	0.41	0.29	0.16	0.28	1.26	0.19	0.25	0.12	1.55	1.15	6.62
2025	12.7	0.41	0.30	0.16	0.28	1.28	0.18	0.25	0.12	1.58	1.16	6.77

